

(Washington DC) Last night, the Republican controlled House of Representatives pushed through the Budget Reconciliation Bill even though Democrats were unified in opposition. The bill cuts \$38.8 billion in funding that will fall hardest on programs that aid America's working families. Moreover, the deepest cuts will reduce funding for Medicaid, student loan programs, and child support enforcement.

"While this may be a good day for the White House and Republicans in Congress, it's a bad day for America's families," said Congressman Charlie Gonzalez. "It just became that much harder for parents to help their children pay for the college education that is now a necessity in the globalized economy. Many seniors will be forced to choose between paying for necessary medical care and other basic expenses. And, perhaps worst of all, the Republicans will make it easier for 'dead-beat' parents to not honor their responsibility to support their children."

Since the White House had worked with Congressional Republicans on this legislation, it was fitting that Vice-President Dick Cheney cast the tie-breaking vote in the Senate for passage in December, which sent the bill back to the House. While Republicans claim this is a step towards fiscal responsibility, the preferential tax treatment the President wants to make permanent will negate any savings and will actually push the government further into debt.

The nonpartisan Congressional Budget Office has estimated that the bill will lead to \$8.4 billion in reduced child support collections. 70% of the cuts in student loan programs will increase college loan costs for parent borrowers and would cause many student and parent borrowers to pay excessive interest rates on their loans. The cuts in Medicaid funding would result in charging higher co-pays for recipients and studies have shown that cost-sharing will result in a decline in enrollees' use of health care services and ultimately a worsening of their health status.